

**Senate Study Bill 1178 - Introduced**

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
LOCAL GOVERNMENT BILL BY  
CHAIRPERSON WILHELM)

**A BILL FOR**

1 An Act relating to property taxes and fees by modifying  
2 provisions relating to receipts for the payment of property  
3 taxes and provisions relating to delinquent rates and  
4 charges and by specifying certain dates for notices and  
5 delinquency.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 358.20, Code 2011, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 1A. *a.* If the delinquent rates or charges  
4 were incurred prior to the date a transfer of the property  
5 or premises in fee simple is filed with the county recorder  
6 and such delinquencies were not certified to the county  
7 treasurer prior to such date, the delinquent rates or charges  
8 are not eligible to be certified to the county treasurer. If  
9 certification of such delinquent rates or charges is attempted  
10 subsequent to the date a transfer of the property or premises  
11 in fee simple is filed with the county recorder, the county  
12 treasurer shall return the certification to the sanitary  
13 district attempting certification along with a notice stating  
14 that the delinquent rates or charges cannot be made a lien  
15 against the property or premises.

16 *b.* If the sanitary district is prohibited under paragraph  
17 "a" from certifying delinquent rates or charges against the  
18 property or premises served by the services of the sanitary  
19 district, the sanitary district may certify the delinquent  
20 rates or charges against any other property or premises located  
21 in this state and owned by the account holder in whose name the  
22 rates or charges were incurred.

23 Sec. 2. Section 445.5, subsection 6, Code 2011, is amended  
24 to read as follows:

25 6. The county treasurer shall deliver to the taxpayer a  
26 receipt stating the year of tax, date of payment, a description  
27 of the parcel, and the amount of taxes, interest, fees, and  
28 costs paid ~~except when payment of taxes is made by check, then~~  
29 ~~a receipt shall be issued only upon request~~ when payment is  
30 made by cash tender. A receipt for other payment tender types  
31 shall only be delivered upon request. The receipt shall be  
32 in full of the first half, second half, or full year amounts  
33 unless a payment is made under section 445.36A or 435.24,  
34 subsection 6.

35 Sec. 3. Section 445.36, subsection 3, Code 2011, is amended

1 to read as follows:

2 3. If an installment of taxes, or an annual payment in the  
3 case of special assessments, or payment in full in the case of  
4 rates or charges, is delinquent and not paid as of ~~February~~  
5 November 1 of the fiscal year in which the amounts are due, the  
6 treasurer shall notify the taxpayer of the delinquency and the  
7 due date for the second installment. Failure to receive notice  
8 is not a defense to the payment of the total amount due.

9 Sec. 4. Section 468.57, subsection 2, unnumbered paragraph  
10 1, Code 2011, is amended to read as follows:

11 To pay the assessments in not less than ten nor more than  
12 twenty equal installments, with the number of payments and  
13 interest rate determined by the board, notwithstanding chapter  
14 74A. The first installment of each assessment, or the total  
15 amount if less than one hundred dollars, is due and payable  
16 on July 1 next succeeding the date of the levy, unless the  
17 assessment is filed with the county treasurer after May 31  
18 in any year. The first installment shall bear interest on  
19 the whole unpaid assessment from the date of the levy as set  
20 by the board to the first day of December following the due  
21 date. The succeeding annual installments, with interest on the  
22 whole unpaid amount, to the first day of December following the  
23 due date, are respectively due on July 1 annually, and must  
24 be paid at the same time and in the same manner as the first  
25 semiannual payment of ordinary taxes. All future installments  
26 of an assessment may be paid on any date by payment of the then  
27 outstanding balance plus interest to the next December 1, or  
28 additional annual installments may be paid after the current  
29 installment has been paid before December 1 without interest.  
30 A payment must be for the full amount of the next installment.  
31 If installments remain to be paid, the next annual installment  
32 with interest added to December 1 will be due. After December  
33 1, if a drainage assessment is not delinquent, a property owner  
34 may pay one-half or all of the next annual installment of  
35 principal and interest of a drainage assessment prior to the

1 delinquency date of the installment. When the next installment  
2 has been paid in full, successive principal installments may  
3 be prepaid. The county treasurer shall accept the payments  
4 of the drainage assessment, and shall credit the next annual  
5 installment or future installments of the drainage assessment  
6 to the extent of the payment or payments, and shall remit the  
7 payments to the drainage fund. If a property owner elects  
8 to pay one or more principal installments in advance, the  
9 pay schedule shall be advanced by the number of principal  
10 installments prepaid. Each installment of an assessment with  
11 interest on the unpaid balance is delinquent from October 1  
12 after its due date, ~~including those instances.~~ However, when  
13 the last day of September is a Saturday or Sunday, ~~and bears~~  
14 that amount shall be delinquent from the second business day of  
15 October. Taxes assessed pursuant to this chapter which become  
16 delinquent shall bear the same delinquent interest as ordinary  
17 taxes. When collected, the interest must be credited to the  
18 same drainage fund as the drainage special assessment.

19 EXPLANATION

20 This bill amends Code section 358.20, relating to sanitary  
21 districts, by establishing requirements and procedures for  
22 delinquent rates and charges that are charged by the sanitary  
23 district. The bill specifies conditions under which delinquent  
24 rates and charges may not be certified by the county treasurer  
25 as a lien against the property or premises and specifies how  
26 the sanitary district may certify and collect such delinquent  
27 rates or charges. The requirements and procedures in the bill  
28 are similar to those for certain sewer, storm water, sewage  
29 treatment, solid waste collection, and water services provided  
30 by a city utility or city enterprise under Code section 384.84.  
31 The bill amends Code chapter 445, relating to the collection  
32 of property taxes, by specifying that the county treasurer  
33 must deliver to the taxpayer a receipt when payment is made  
34 by cash tender. Under the bill, the county treasurer is only  
35 required to provide a receipt for other payment tender types

1 upon request.

2 Current Code section 445.36, provides that if an installment  
3 of taxes, an annual payment of special assessments, or a  
4 payment in full of rates or charges, is delinquent and not paid  
5 as of February 1, the county treasurer is required to notify  
6 the taxpayer of the delinquency and the due date for the second  
7 installment. The bill changes the date from February 1 to  
8 November 1 of the fiscal year in which the amounts are due.

9 Current Code section 468.57, relating to the payment of  
10 certain levee and drainage district assessments, specifies that  
11 each installment of an assessment is delinquent from October  
12 1 after its due date including when the last day of September  
13 is a Saturday or Sunday. The bill amends that provision to  
14 specify that if the last day of September is a Saturday or  
15 Sunday, the amount is delinquent from the second business day  
16 of October.